

Form **1040** U.S. Individual Income Tax Return (99) **2017**

Department of the Treasury - Internal Revenue Service

OMB No. 1545-0074

IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2017, or other tax year beginning

, 2017, ending

, 20

See separate instructions.

Your first name and initial

Anthony

Last name

Fanara

Your social security number

If a joint return, spouse's first name and initial

Marianna

Last name

Fanara

Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.

Apt. no.

Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

☐ You

☐ Spouse

Foreign country name

Foreign province/state/country

Foreign postal code

Filing Status

1 ☐ Single

2 ☒ Married filing jointly (even if only one had income)

3 ☐ Married filing separately. Enter spouse's SSN above

Check only one box.

and full name here. ▶

4 ☐ Head of household (with qualifying person). (See instructions.)

If the qualifying person is a child but not your dependent, enter this child's name here.

5 ☐ Qualifying widow(er) (see instructions)

Exemptions

6a ☒ Yourself. If someone can claim you as a dependent, do not check box 6a

b ☒ Spouse

c Dependents:

(1) First name

Last name

(2) Dependent's social security number

(3) Dependent's relationship to you

(4) Check if child under age 17 qualifying for child tax credit (see instructions)

Boxes checked on 6a and 6b

No. of children on 6c who:

☒ lived with you
☐ did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above ▶

2

2

d Total number of exemptions claimed

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2

8a Taxable interest. Attach Schedule B if required

b Tax-exempt interest. Do not include on line 8a

8b

9a Ordinary dividends. Attach Schedule B if required

b Qualified dividends

9b

11,746

10 Taxable refunds, credits, or offsets of state and local income taxes

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here

14 Other gains or (losses). Attach Form 4797

15a IRA distributions

15a

b Taxable amount

16a Pensions and annuities

16a

b Taxable amount

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits

20a

28,248

b Taxable amount

21 Other income

22 Combine the amounts in the far right column for lines 7 through 21. This is your total income

23 Educator expenses

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ

25 Health savings account deduction. Attach Form 8889

26 Moving expenses. Attach Form 3903

27 Deductible part of self-employment tax. Attach Schedule SE

28 Self-employed SEP, SIMPLE, and qualified plans

29 Self-employed health insurance deduction

30 Penalty on early withdrawal of savings

31a Alimony paid b Recipient's SSN▶

32 IRA deduction

33 Student loan interest deduction

34 Tuition and fees. Attach Form 8917

35 Domestic production activities deduction. Attach Form 8903

36 Add lines 23 through 35

37 Subtract line 36 from line 22. This is your adjusted gross income

Adjusted Gross Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	178,000
39a	Check <input checked="" type="checkbox"/> You were born before January 2, 1953, <input type="checkbox"/> Blind. <input type="checkbox"/> Total boxes if: <input checked="" type="checkbox"/> Spouse was born before January 2, 1953, <input type="checkbox"/> Blind. checked ▶ 39a 2		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b <input type="checkbox"/>		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	51,715
41	Subtract line 40 from line 38	41	126,285
42	Exemptions. If line 38 is \$158,900 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions	42	8,100
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	118,185
44	Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	44	19,849
45	Alternative minimum tax (see instructions). Attach Form 6251	45	
46	Excess advance premium tax credit repayment. Attach Form 8962	46	
47	Add lines 44, 45, and 46	47	19,849
48	Foreign tax credit. Attach Form 1116 if required	48	
49	Credit for child and dependent care expenses. Attach Form 2441	49	
50	Education credits from Form 8863, line 19	50	
51	Retirement savings contributions credit. Attach Form 8880	51	
52	Child tax credit. Attach Schedule 8812, if required	52	
53	Residential energy credits. Attach Form 5695	53	
54	Other credits from Form: a <input checked="" type="checkbox"/> 3800 b <input type="checkbox"/> 9801 c <input type="checkbox"/>	54	18,687
55	Add lines 48 through 54. These are your total credits	55	18,687
56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	56	1,162

Standard Deduction for -

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:

Single or Married filing separately, \$6,350

Married filing jointly or Qualifying widow(er), \$12,700

Head of household, \$9,350

Other Taxes

57	Self-employment tax. Attach Schedule SE	57	
58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58	
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59	
60a	Household employment taxes from Schedule H	60a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required	60b	
61	Health care: individual responsibility (see instructions) Full-year coverage <input checked="" type="checkbox"/>	61	
62	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62	
63	Add lines 56 through 62. This is your total tax	63	1,162

Payments

If you have a qualifying child, attach Schedule EIC.

64	Federal income tax withheld from Forms W-2 and 1099	64	
65	2017 estimated tax payments and amount applied from 2016 return	65	1,957
66a	Earned income credit (EIC)	66a	
b	Nontaxable combat pay election	66b	
67	Additional child tax credit. Attach Schedule 8812	67	
68	American opportunity credit from Form 8863, line 8	68	
69	Net premium tax credit. Attach Form 8962	69	
70	Amount paid with request for extension to file	70	
71	Excess social security and tier 1 RRTA tax withheld	71	
72	Credit for federal tax on fuels. Attach Form 4136	72	
73	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	73	
74	Add lines 64, 65, 66a, and 67 through 73. These are your total payments	74	1,957

Refund

Direct deposit? See instructions.

75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75	795
76a	Amount of line 75 you want refunded to you. If Form 8888 is attached, check here ▶ <input type="checkbox"/>	76a	
b	Routing number	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
d	Account number		
77	Amount of line 75 you want applied to your 2018 estimated tax	77	795

Amount You Owe

78	Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions ▶	78	
79	Estimated tax penalty (see instructions)	79	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name ▶ Ilma V Avila Phone no. ▶ [REDACTED] Personal identification number (PIN) ▶ [REDACTED]

Sign Here

Joint return? See instructions. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
<u>[REDACTED]</u>	04-16-2018		
Spouse's signature (if a joint return, both must sign)	Date	Spouse's occupation	Identity Protection PIN (see inst.)
<u>[REDACTED]</u>	04-16-2018		

Paid Preparer Use Only

Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed	PTIN
<u>[REDACTED]</u>			<u>[REDACTED]</u>
Print/Type preparer's name	<u>Ilma V Avila</u>		
Firm's name	<u>Ilma V Avila CPA</u>		
Firm's address	<u>[REDACTED]</u>		
Phone no.	<u>[REDACTED]</u>		

SCHEDULE A
(Form 1040)

Itemized Deductions

OMB No. 1545-0074

► Go to www.irs.gov/ScheduleA for instructions and the latest information.

► Attach to Form 1040.

2017

Attachment
Sequence No. **07**

Department of the Treasury
Internal Revenue Service (99)

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 28.

Name(s) shown on Form 1040

Your social security number

Anthony & Marianna Fanara

Medical and Dental Expenses		Caution: Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see instructions)	1	2,310		
2	Enter amount from Form 1040, line 38	2	178,000		
3	Multiply line 2 by 7.5% (0.075)	3	13,350		
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	0		
Taxes You Paid		5 State and local (check only one box):			
a	<input checked="" type="checkbox"/> Income taxes, or	5	5,010		
b	<input type="checkbox"/> General sales taxes	6			
6	Real estate taxes (see instructions)	7			
7	Personal property taxes	8			
8	Other taxes. List type and amount ►	9	5,010		
9	Add lines 5 through 8				
Interest You Paid		10	43,555		
10	Home mortgage interest and points reported to you on Form 1098	11			
11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ►	12			
12	Points not reported to you on Form 1098. See instructions for special rules	13			
13	Mortgage insurance premiums (see instructions)	14			
14	Investment interest. Attach Form 4952 if required. See instructions.	15	43,555		
15	Add lines 10 through 14				
Gifts to Charity		16	3,150		
16	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	17			
17	Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	18			
18	Carryover from prior year	19	3,150		
19	Add lines 16 through 18				
Casualty and Theft Losses		20			
20	Casualty or theft loss(es) other than net qualified disaster losses. Attach Form 4684 and enter the amount from line 18 of that form. See instructions				
Job Expenses and Certain Miscellaneous Deductions		21			
21	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. See instr. ►	22			
22	Tax preparation fees	23			
23	Other expenses - investment, safe deposit box, etc. List type and amount ►	24			
24	Add lines 21 through 23	25			
25	Enter amount from Form 1040, line 38	26			
26	Multiply line 25 by 2% (0.02)	27			
27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-				
Other Miscellaneous Deductions		28			
28	Other - from list in instructions. List type and amount ►				
Total Itemized Deductions		29	51,715		
29	Is Form 1040, line 38, over \$156,900? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input checked="" type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.	30			
30	If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>				

SCHEDULE C
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

▶ Go to www.irs.gov/ScheduleC for instructions and the latest information.
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2017

Attachment
Sequence No. **09**

Name of proprietor Anthony Fanara		Social security number (SSN) [REDACTED]
A Principal business or profession, including product or service (see instructions) Restaurant Food Sale		B Enter code from instructions ▶ 722511
C Business name. If no separate business name, leave blank. Palermo Italian Restorante		D Employer ID number (EIN), (see instr.) [REDACTED]
E Business address (including suite or room no.) ▶ [REDACTED] City, town or post office, state, and ZIP code		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶		
G Did you "materially participate" in the operation of this business during 2017? If "No," see instructions for limit on losses		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
H If you started or acquired this business during 2017, check here		
I Did you make any payments in 2017 that would require you to file Form(s) 1099? (see instructions)		<input type="checkbox"/> Yes <input type="checkbox"/> No
J If "Yes," did you or will you file required Forms 1099?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	1	2,093,463
2 Returns and allowances	2	0
3 Subtract line 2 from line 1	3	2,093,463
4 Cost of goods sold (from line 42)	4	844,700
5 Gross profit. Subtract line 4 from line 3	5	1,248,763
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7 Gross income. Add lines 5 and 6	7	1,248,763

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8 Advertising	8	28,864	18 Office expense (see instructions)	18	2,522
9 Car and truck expenses (see instructions)	9	19,022	19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	14,228	21 Repairs and maintenance	21	12,425
14 Employee benefit programs (other than on line 19)	14	132,075	22 Supplies (not included in Part III)	22	11,372
15 Insurance (other than health)	15	111,340	23 Taxes and licenses	23	74,776
16 Interest:			24 Travel, meals, and entertainment:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b	80	b Deductible meals and entertainment (see instructions)	24b	
17 Legal and professional services	17	11,107	25 Utilities	25	87,595
			26 Wages (less employment credits)	26	634,610
			27a Other expenses (from line 48)	27a	122,437
			b Reserved for future use	27b	
28 Total expenses before expenses for business use of home. Add lines 8 through 27a	28			28	1,262,453
29 Tentative profit or (loss). Subtract line 28 from line 7	29			29	(13,690)
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the Instructions to figure the amount to enter on line 30	30			30	
31 Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31			31	(13,690)
32 If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both Form 1040, line 12 , (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6199 . Your loss may be limited.			32a <input checked="" type="checkbox"/> All investment is at risk. 32b <input type="checkbox"/> Some investment is not at risk.		

Name(s) **Anthony Fanara** SSN **[REDACTED]**

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory: a <input checked="" type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)	
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35 16,300
36	Purchases less cost of items withdrawn for personal use	36 606,558
37	Cost of labor. Do not include any amounts paid to yourself	37
38	Materials and supplies	38 81,950
39	Other costs	39 154,892
40	Add lines 35 through 39	40 859,700
41	Inventory at end of year	41 15,000
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42 844,700

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43	When did you place your vehicle in service for business purposes? (month, day, year)	►
44	Of the total number of miles you drove your vehicle during 2017, enter the number of miles you used your vehicle for:	
a	Business	b Commuting (see instructions)
c	Other	
45	Was your vehicle available for personal use during off-duty hours?	<input type="checkbox"/> Yes <input type="checkbox"/> No
46	Do you (or your spouse) have another vehicle available for personal use?	<input type="checkbox"/> Yes <input type="checkbox"/> No
47a	Do you have evidence to support your deduction?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," is the evidence written?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

Statement #1

48	Total other expenses. Enter here and on line 27a	48 122,437
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SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Go to www.irs.gov/ScheduleE for instructions and the latest information.

OMB No. 1545-0074

2017

Attachment
Sequence No. **13**

Your social security number

Anthony & Marianna Fanara

Part I **Income or Loss From Rental Real Estate and Royalties** Note: If you are in the business of renting personal property, use **Schedule C or C-EZ** (see instructions). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

A Did you make any payments in 2017 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☒ No
B If "Yes," did you or will you file required Forms 1099? ☐ Yes ☒ No

1a Physical address of each property (street, city, state, ZIP code)

A	
B	
C	

1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	2		365	0	<input type="checkbox"/>
B	4		365	0	<input type="checkbox"/>
C	1		365	0	<input type="checkbox"/>

Type of Property:

- 1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:		Properties:	A	B	C
3	Rents received	3	83,894	159,077	7,200
4	Royalties received	4			
Expenses:					
5	Advertising	5			
6	Auto and travel (see instructions)	6			
7	Clearing and maintenance	7	1,678		
8	Commissions	8			
9	Insurance	9	8,987		1,021
10	Legal and other professional fees	10			
11	Management fees	11	4,476		
12	Mortgage interest paid to banks, etc. (see instructions)	12	13,484	67,924	
13	Other interest	13			
14	Repairs	14	966		13,356
15	Supplies	15			
16	Taxes	16	15,934	14,241	3,911
17	Utilities	17	5,192	2,561	658
18	Depreciation expense or depletion	18	18,927	23,484	4,299
19	Other (list) ▶ Statement #2	19	1,128	434	68
20	Total expenses. Add lines 5 through 19	20	70,772	108,644	23,313
21	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21	13,122	50,433	(16,113)
22	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	()	()	(16,113)
23a	Total of all amounts reported on line 3 for all rental properties	23a	434,290		
b	Total of all amounts reported on line 4 for all royalty properties	23b	0		
c	Total of all amounts reported on line 12 for all properties	23c	81,408		
d	Total of all amounts reported on line 18 for all properties	23d	68,436		
e	Total of all amounts reported on line 20 for all properties	23e	278,740		
24	Income. Add positive amounts shown on line 21. Do not include any losses	24			171,663
25	Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25			(16,113)
26	Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			155,550

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule E (Form 1040) 2017

2017

Department of the Treasury
Internal Revenue Service (99)

► Go to www.irs.gov/Form3800 for instructions and the latest information.
► You must attach all pages of Form 3800, pages 1, 2, and 3, to your tax return.

Attachment
Sequence No. 22

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara

Part I Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT)

(See instructions and complete Part(s) III before Parts I and II)

1	General business credit from line 2 of all Parts III with box A checked	1	
2	Passive activity credits from line 2 of all Parts III with box B checked	2	
3	Enter the applicable passive activity credits allowed for 2017. See instructions	3	
4	Carryforward of general business credit to 2017. Enter the amount from line 2 of Part III with box C checked. See instructions for statement to attach	4	0
5	Carryback of general business credit from 2018. Enter the amount from line 2 of Part III with box D checked. See instructions	5	
6	Add lines 1, 3, 4, and 5	6	0

Part II Allowable Credit

7	Regular tax before credits:		
	<ul style="list-style-type: none"> Individuals. Enter the sum of the amounts from Form 1040, lines 44 and 46, or the sum of the amounts from Form 1040NR, lines 42 and 44 Corporations. Enter the amount from Form 1120, Schedule J, Part I, line 2; or the applicable line of your return Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b; or the amount from the applicable line of your return 	7	19,849
8	Alternative minimum tax:		
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 35 Corporations. Enter the amount from Form 4626, line 14 Estates and trusts. Enter the amount from Schedule I (Form 1041), line 56 	8	
9	Add lines 7 and 8	9	19,849
10a	Foreign tax credit	10a	
b	Certain allowable credits (see instructions)	10b	
c	Add lines 10a and 10b	10c	0
11	Net income tax. Subtract line 10c from line 9. If zero, skip lines 12 through 15 and enter -0- on line 16	11	19,849
12	Net regular tax. Subtract line 10c from line 7. If zero or less, enter -0-	12	19,849
13	Enter 25% (0.25) of the excess, if any, of line 12 over \$25,000 (see instructions)	13	
14	Tentative minimum tax:		
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 33 Corporations. Enter the amount from Form 4626, line 12 Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54 	14	10,445
15	Enter the greater of line 13 or line 14	15	10,445
16	Subtract line 15 from line 11. If zero or less, enter -0-	16	9,404
17	Enter the smaller of line 6 or line 16	17	0
C corporations: See the line 17 instructions if there has been an ownership change, acquisition, or reorganization.			

For Paperwork Reduction Act Notice, see separate instructions.

Form 3800 (2017)

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on return

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

► Attach to Form 1040, 1040NR, or Form 1041.

► Go to www.irs.gov/ScheduleE for instructions and the latest information.

OMB No. 1545-0074

2017

Attachment
Sequence No. **13**

Anthony & Marianna Fanara

Your social security number

Part I **Income or Loss From Rental Real Estate and Royalties** Note: If you are in the business of renting personal property, use **Schedule C or C-EZ** (see instructions). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

A Did you make any payments in 2017 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No
B If "Yes," did you or will you file required Forms 1099? ☐ Yes ☐ No

1a	Physical address of each property (street, city, state, ZIP code)
A	
B	
C	

1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	1		365	0	<input type="checkbox"/>
B	8		365	0	<input type="checkbox"/>
C	4		365	0	<input type="checkbox"/>

Type of Property:

- 1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe) **B-Sign Post**

Income:	Properties:	A	B	C
3 Rents received	3	28,613	1,440	154,066
4 Royalties received	4			
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7			1,600
8 Commissions	8			
9 Insurance	9	1,078		4,900
10 Legal and other professional fees	10			
11 Management fees	11			4,164
12 Mortgage interest paid to banks, etc. (see instructions)	12			
13 Other interest	13			
14 Repairs	14	653		
15 Supplies	15			
16 Taxes	16	3,284		31,637
17 Utilities	17			6,766
18 Depreciation expense or depletion	18	3,588		18,138
19 Other (list) ► License and Fees	19	203		
20 Total expenses. Add lines 5 through 19	20	8,806		67,205
21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21	19,807	1,440	86,861
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	()	()	()
23a Total of all amounts reported on line 3 for all rental properties	23a			
b Total of all amounts reported on line 4 for all royalty properties	23b			
c Total of all amounts reported on line 12 for all properties	23c			
d Total of all amounts reported on line 18 for all properties	23d			
e Total of all amounts reported on line 20 for all properties	23e			
24 Income. Add positive amounts shown on line 21. Do not include any losses	24			
25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	()		
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule E (Form 1040) 2017

Part II Allowable Credit (Continued)

Note: If you are not required to report any amounts on lines 22 or 24 below, skip lines 18 through 25 and enter -0- on line 26.

18	Multiply line 14 by 75% (0.75). See instructions	18	
19	Enter the greater of line 13 or line 18	19	
20	Subtract line 19 from line 11. If zero or less, enter -0-	20	
21	Subtract line 17 from line 20. If zero or less, enter -0-	21	
22	Combine the amounts from line 3 of all Parts III with box A, C, or D checked	22	
23	Passive activity credit from line 3 of all Parts III with box B checked	23	
24	Enter the applicable passive activity credit allowed for 2017. See instructions	24	
25	Add lines 22 and 24	25	
26	Empowerment zone and renewal community employment credit allowed. Enter the smaller of line 21 or line 25	26	
27	Subtract line 13 from line 11. If zero or less, enter -0-	27	19,849
28	Add lines 17 and 26	28	0
29	Subtract line 28 from line 27. If zero or less, enter -0-	29	19,849
30	Enter the general business credit from line 5 of all Parts III with box A checked	30	13,838
31	Reserved	31	
32	Passive activity credits from line 5 of all Parts III with box B checked	32	
33	Enter the applicable passive activity credits allowed for 2017. See instructions	33	
34	Carryforward of business credit to 2017. Enter the amount from line 5 of Part III with box C checked and line 6 of Part III with box G checked. See instructions for statement to attach	34	4,849
35	Carryback of business credit from 2018. Enter the amount from line 5 of Part III with box D checked. See instructions	35	
36	Add lines 30, 33, 34, and 35	36	18,687
37	Enter the smaller of line 29 or line 36	37	18,687
38	Credit allowed for the current year. Add lines 28 and 37. Report the amount from line 38 (if smaller than the sum of Part I, line 6, and Part II, lines 25 and 36, see instructions) as indicated below or on the applicable line of your return. <ul style="list-style-type: none"> • Individuals. Form 1040, line 54, or Form 1040NR, line 51 • Corporations. Form 1120, Schedule J, Part I, line 5c • Estates and trusts. Form 1041, Schedule G, line 2b 	38	18,687

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below (see instructions).

- ☒ **A** General Business Credit From a Non-Passive Activity **E** ☐ Reserved
☐ **B** General Business Credit From a Passive Activity **F** ☐ Reserved
☐ **C** General Business Credit Carryforwards **G** ☐ Eligible Small Business Credit Carryforwards
☐ **D** General Business Credit Carrybacks **H** ☐ Reserved

I If you are filing more than one Part III with box A or B checked, complete and attach first an additional Part III combining amounts from all Parts III with box A or B checked. Check here if this is the consolidated Part III ☐

(a) Description of credit	(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
1 a Investment (Form 3468, Part II only) (attach Form 3468)	1a	
b Reserved	1b	
c Increasing research activities (Form 6765)	1c	
d Low-income housing (Form 8586, Part I only)	1d	
e Disabled access (Form 8826) (see instructions for limitation)	1e	
f Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f	
g Indian employment (Form 8845)	1g	
h Orphan drug (Form 8820)	1h	
i New markets (Form 8874)	1i	
j Small employer pension plan startup costs (Form 8881) (see instructions for limitation)	1j	
k Employer-provided child care facilities and services (Form 8882) (see instructions for limitation)	1k	
l Biodiesel and renewable diesel fuels (attach Form 8864)	1l	
m Low sulfur diesel fuel production (Form 8896)	1m	
n Distilled spirits (Form 8906)	1n	
o Nonconventional source fuel (carryforward only)	1o	
p Energy efficient home (Form 8908)	1p	
q Energy efficient appliance (carryforward only)	1q	
r Alternative motor vehicle (Form 8910)	1r	
s Alternative fuel vehicle refueling property (Form 8911)	1s	
t Enhanced oil recovery credit (Form 8830)	1t	
u Mine rescue team training (Form 8923)	1u	
v Agricultural chemicals security (carryforward only)	1v	
w Employer differential wage payments (Form 8932)	1w	
x Carbon dioxide sequestration (Form 8933)	1x	
y Qualified plug-in electric drive motor vehicle (Form 8936)	1y	
z Qualified plug-in electric vehicle (carryforward only)	1z	
aa Employee retention (Form 5884-A)	1aa	
bb General credits from an electing large partnership (Schedule K-1 (Form 1065-B)).	1bb	
zz Other. Oil and gas production from marginal wells (Form 8904) and certain other credits (see instructions)	1zz	
2 Add lines 1a through 1zz and enter here and on the applicable line of Part I	2	
3 Enter the amount from Form 8844 here and on the applicable line of Part II	3	
4 a Investment (Form 3468, Part III) (attach Form 3468)	4a	
b Work opportunity (Form 5884)	4b	
c Biofuel producer (Form 6478)	4c	
d Low-income housing (Form 8586, Part II)	4d	
e Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e	
f Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f	13,838
g Qualified railroad track maintenance (Form 8900)	4g	
h Small employer health insurance premiums (Form 8941)	4h	
i Increasing research activities (Form 6765)	4i	
j Reserved	4j	
z Other	4z	
5 Add lines 4a through 4z and enter here and on the applicable line of Part II	5	13,838
6 Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6	13,838

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below (see instructions).

- A ☐ General Business Credit From a Non-Passive Activity E ☐ Reserved
 B ☐ General Business Credit From a Passive Activity F ☐ Reserved
 C ☒ General Business Credit Carryforwards G ☐ Eligible Small Business Credit Carryforwards
 D ☐ General Business Credit Carrybacks H ☐ Reserved

I If you are filing more than one Part III with box A or B checked, complete and attach first an additional Part III combining amounts from all Parts III with box A or B checked. Check here if this is the consolidated Part III ☐

(a) Description of credit	(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
Note: On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		
1 a Investment (Form 3468, Part II only) (attach Form 3468)	1a	
b Reserved	1b	
c Increasing research activities (Form 6765)	1c	
d Low-income housing (Form 8586, Part I only)	1d	
e Disabled access (Form 8826) (see instructions for limitation)	1e	
f Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f	
g Indian employment (Form 8845)	1g	
h Orphan drug (Form 8820)	1h	
i New markets (Form 8874)	1i	
j Small employer pension plan startup costs (Form 8881) (see instructions for limitation)	1j	
k Employer-provided child care facilities and services (Form 8882) (see instructions for limitation)	1k	
l Biodiesel and renewable diesel fuels (attach Form 8864)	1l	
m Low sulfur diesel fuel production (Form 8896)	1m	
n Distilled spirits (Form 8906)	1n	
o Nonconventional source fuel (carryforward only)	1o	
p Energy efficient home (Form 8908)	1p	
q Energy efficient appliance (carryforward only)	1q	
r Alternative motor vehicle (Form 8910)	1r	
s Alternative fuel vehicle refueling property (Form 8911)	1s	
t Enhanced oil recovery credit (Form 8830)	1t	
u Mine rescue team training (Form 8923)	1u	
v Agricultural chemicals security (carryforward only)	1v	
w Employer differential wage payments (Form 8932)	1w	
x Carbon dioxide sequestration (Form 8933)	1x	
y Qualified plug-in electric drive motor vehicle (Form 8936)	1y	
z Qualified plug-in electric vehicle (carryforward only)	1z	
aa Employee retention (Form 5884-A)	1aa	
bb General credits from an electing large partnership (Schedule K-1 (Form 1065-B)).	1bb	
zz Other. Oil and gas production from marginal wells (Form 8904) and certain other credits (see instructions)	1zz	
2 Add lines 1a through 1zz and enter here and on the applicable line of Part I	2	
3 Enter the amount from Form 8844 here and on the applicable line of Part II	3	
4 a Investment (Form 3468, Part III) (attach Form 3468)	4a	
b Work opportunity (Form 5884)	4b	
c Biofuel producer (Form 6478)	4c	
d Low-income housing (Form 8586, Part II)	4d	
e Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e	
f Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f	4,849
g Qualified railroad track maintenance (Form 8900)	4g	
h Small employer health insurance premiums (Form 8941)	4h	
i Increasing research activities (Form 6765)	4i	
j Reserved	4j	
z Other	4z	
5 Add lines 4a through 4z and enter here and on the applicable line of Part II	5	4,849
6 Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6	4,849

Alternative Minimum Tax - Individuals

OMB No. 1545-0074

2017

Department of the Treasury
Internal Revenue Service (99)Go to www.irs.gov/Form 6251 for instructions and the latest information.

Attach to Form 1040 or Form 1040NR.

Attachment
Sequence No. 32

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

Anthony & Marianna Fanara

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 7. (If less than zero, enter as a negative amount.)	1	126,285
2	Reserved for future use	2	
3	Taxes from Schedule A (Form 1040), line 9	3	5,010
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet in the instructions for this line	4	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6	If Form 1040, line 38 is \$156,900 or less, enter -0-. Otherwise, see instructions	6	()
7	Tax refund from Form 1040, line 10 or line 21	7	()
8	Investment interest expense (difference between regular tax and AMT)	8	
9	Depletion (difference between regular tax and AMT)	9	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10	
11	Alternative tax net operating loss deduction	11	()
12	Interest from specified private activity bonds exempt from the regular tax	12	
13	Qualified small business stock, see instructions	13	
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	14	
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	15	
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	16	
17	Disposition of property (difference between AMT and regular tax gain or loss)	17	
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	18	(1,655)
19	Passive activities (difference between AMT and regular tax income or loss)	19	1
20	Loss limitations (difference between AMT and regular tax income or loss)	20	
21	Circulation costs (difference between regular tax and AMT)	21	
22	Long-term contracts (difference between AMT and regular tax income)	22	
23	Mining costs (difference between regular tax and AMT)	23	
24	Research and experimental costs (difference between regular tax and AMT)	24	
25	Income from certain installment sales before January 1, 1987	25	()
26	Intangible drilling costs preference	26	
27	Other adjustments, including income-based related adjustments	27	
28	Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately and line 28 is more than \$249,450, see instructions.)	28	129,641

Part II Alternative Minimum Tax (AMT)

29	Exemption. (If you were under age 24 at the end of 2017, see instructions.)		
	IF your filing status is... AND line 28 is not over... THEN enter on line 29...		
	Single or head of household \$120,700 \$54,300		
	Married filing jointly or qualifying widow(er) 160,900 84,500		
	Married filing separately 80,450 42,250	29	84,500
	If line 28 is over the amount shown above for your filing status, see instructions.		
30	Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 31, 33, and 35, and go to line 34	30	45,141
31	• If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter.		
	• If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 64 here.		
	• All others: If line 30 is \$187,800 or less (\$93,900 or less if married filing separately), multiply line 30 by 26% (0.26). Otherwise, multiply line 30 by 28% (0.28) and subtract \$3,756 (\$1,878 if married filing separately) from the result.	31	10,445
32	Alternative minimum tax foreign tax credit (see instructions)	32	
33	Tentative minimum tax. Subtract line 32 from line 31	33	10,445
34	Add Form 1040, line 44 (minus any tax from Form 4972), and Form 1040, line 46. Subtract from the result any foreign tax credit from Form 1040, line 48. If you used Schedule J to figure your tax on Form 1040, line 44, refigure that tax without using Schedule J before completing this line (see instructions)	34	19,849
35	AMT. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	

Part III Tax Computation Using Maximum Capital Gains Rates

Complete Part III only if you are required to do so by line 31 or by the Foreign Earned Income Tax Worksheet in the instructions.

36	Enter the amount from Form 6251, line 30. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions for line 31	36	45,141
37	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	37	11,746
38	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	38	0
39	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	39	11,746
40	Enter the smaller of line 36 or line 39	40	11,746
41	Subtract line 40 from line 36	41	33,395
42	If line 41 is \$187,800 or less (\$93,900 or less if married filing separately), multiply line 41 by 26% (0.26). Otherwise, multiply line 41 by 28% (0.28) and subtract \$3,756 (\$1,878 if married filing separately) from the result	42	8,683
43	Enter: <ul style="list-style-type: none"> \$75,900 if married filing jointly or qualifying widow(er), \$37,950 if single or married filing separately, or \$50,800 if head of household. 	43	75,900
44	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 43; if zero or less, enter -0-. If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	44	106,439
45	Subtract line 44 from line 43. If zero or less, enter -0-	45	
46	Enter the smaller of line 36 or line 37	46	11,746
47	Enter the smaller of line 45 or line 46. This amount is taxed at 0%	47	
48	Subtract line 47 from line 46	48	11,746
49	Enter: <ul style="list-style-type: none"> \$418,400 if single \$235,350 if married filing separately \$470,700 if married filing jointly or qualifying widow(er) \$444,550 if head of household 	49	470,700
50	Enter the amount from line 45	50	
51	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 19 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 43; if zero or less, enter -0-. If you are filing Form 2555 or Form 2555-EZ, see instructions for the amount to enter	51	106,439
52	Add line 50 and line 51	52	106,439
53	Subtract line 52 from line 49. If zero or less, enter -0-	53	364,261
54	Enter the smaller of line 48 or line 53	54	11,746
55	Multiply line 54 by 15% (0.15)	55	1,762
56	Add lines 47 and 54	56	11,746
	If lines 56 and 36 are the same, skip lines 57 through 61 and go to line 62. Otherwise, go to line 57.		
57	Subtract line 56 from line 46	57	
58	Multiply line 57 by 20% (0.20)	58	
	If line 38 is zero or blank, skip lines 59 through 61 and go to line 62. Otherwise, go to line 59.		
59	Add lines 41, 56, and 57	59	45,141
60	Subtract line 59 from line 36	60	
61	Multiply line 60 by 25% (0.25)	61	
62	Add lines 42, 55, 58, and 61	62	10,445
63	If line 36 is \$187,800 or less (\$93,900 or less if married filing separately), multiply line 36 by 26% (0.26). Otherwise, multiply line 36 by 28% (0.28) and subtract \$3,756 (\$1,878 if married filing separately) from the result	63	11,737
64	Enter the smaller of line 62 or line 63 here and on line 31. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 31. Instead, enter it on line 4 of the worksheet in the instructions for line 31	64	10,445

Preparer's Summary of Affordable Care Act

2017

Name(s) as shown on return

Social Security Number

Anthony & Marianna Fanara

Definition of codes for each month:

MC - Marketplace Coverage - shown on screen 95A

OC - Other coverage - shown on screen 8965

ECN - Exemption Certificate Number - shown on screen 8965

EX - Exemption code claimed - shown on screen 8965 or
automatically applied by the software - see right column

blank - No coverage and no exemption - ISRP is due and
computed on WK_89651

Ex A - Coverage considered unaffordable

Ex B - Short coverage gap (less than 3 months)

Ex C - Noncitizen or was living abroad

Ex D - Member of health care sharing ministry

Ex E - Member of Indian tribe

Ex F - Incarcerated after disposition of charges

Ex G - Self-only unaffordable or non-Medicaid-expansion state

Ex H - Added to household or died during year

Name	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
All members of the tax household were covered by insurance all year.												

Passive Activity Loss Limitations

OMB No. 1545-1008

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Go to www.irs.gov/Form8582 for instructions and the latest information.

2017

Attachment
Sequence No. 88

Name(s) shown on return

Anthony & Marianna Fanara

Identifying number

Part I 2017 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a	171,663	
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	(16,113)	
c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c	()	
d	Combine lines 1a, 1b, and 1c	1d	155,550	

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a	()	
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b	()	
c	Add lines 2a and 2b	2c	()	

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	()	
c	Prior years' unallowed losses (enter the amount from Worksheet 3, column (c))	3c	()	
d	Combine lines 3a, 3b, and 3c	3d		

4	Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used	4	155,550	
---	---	---	---------	--

If line 4 is a loss and:

- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

5	Enter the smaller of the loss on line 1d or the loss on line 4	5		
6	Enter \$150,000. If married filing separately, see instructions	6		
7	Enter modified adjusted gross income, but not less than zero (see instructions)	7		
	Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.			
8	Subtract line 7 from line 6	8		
9	Multiply line 8 by 50% (0.50). Do not enter more than \$25,000. If married filing separately, see instructions	9		
10	Enter the smaller of line 5 or line 9	10	0	

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

11	Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11		
12	Enter the loss from line 4	12		
13	Reduce line 12 by the amount on line 10	13		
14	Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14		

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15		
16	Total losses allowed from all passive activities for 2017. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return	16	0	

For Paperwork Reduction Act Notice, see instructions.

Form 8582 (2017)

**Credit for Employer Social Security and Medicare Taxes
Paid on Certain Employee Tips**

OMB No. 1545-0123

2017Department of the Treasury
Internal Revenue Service▶ Attach to your tax return.
▶ Go to www.irs.gov/Form8846 for the latest information.Attachment
Sequence No. **98**

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara**Note:** Claim this credit **only** for employer social security and Medicare taxes paid by a food or beverage establishment where tipping is customary for providing food or beverages. See the instructions for line 1.

1 Tips received by employees for services on which you paid or incurred employer social security and Medicare taxes during the tax year (see instructions)	1	180,895
2 Tips not subject to the credit provisions (see instructions)	2	
3 Creditable tips. Subtract line 2 from line 1	3	180,895
4 Multiply line 3 by 7.65% (0.0765). If you had any tipped employees whose wages (including tips) exceeded \$127,200, see instructions and check here <input type="checkbox"/>	4	13,838
5 Credit for employer social security and Medicare taxes paid on certain employee tips from partnerships and S corporations	5	
6 Add lines 4 and 5. Partnerships and S corporations, report this amount on Schedule K. All others, report this amount on Form 3800, Part III, line 4f	6	13,838

For Paperwork Reduction Act Notice, see instructions.Form **8846** (2017)

Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

2017

Attachment
Sequence No. 179Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

Anthony & Marianna Fanara

Palermo Italian Restor

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	1,166

Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	459
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

20a Class life				S/L	
b 12-year		12 yrs.		S/L	
c 40-year		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	12,603
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	14,228
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2017)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☒ Yes ☐ No 24b If "Yes," is the evidence written? ☒ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 25								
26 Property used more than 50% in a qualified business use:								
Statement #3		%					12,603	
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L-		
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	12,603
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (don't include commuting miles)	13,190											
31 Total commuting miles driven during the year	8,000											
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32	21,190											
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
	X											
35 Was the vehicle used primarily by a more than 5% owner or related person?	X											
36 Is another vehicle available for personal use?	X											

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2017 tax year (see instructions):					
43 Amortization of costs that began before your 2017 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Federal Supporting Statements

2017 PG01

Name(s) as shown on return

Your Social Security Number

Anthony Fanara

Schedule C - Part V - Other Expenses

Statement #1

Description	Amount
Merchante Account Fees	39,332
Laundry and Linens	24,193
Telephone	15,019
Menus Music and other floor expenses	10,305
Cable	6,169
Parking	5,750
Waste Management	5,420
Security & Protection	3,748
Pest Control	3,435
Uniforms	2,818
Equipment Lease	2,584
Dues	2,359
Bank Charges	1,305
Total	122,437

Schedule E - Line 19 - Other Expenses

PG01
Statement #2

Other Expenses	Property A	Property B	Property C
License and Fees	610		68
Deposit Refund	500		
Postage & Shipping	18		
Other Fees		434	
Total	1,128	434	68

Federal Supporting Statements

2017 pg01

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Panara

Form 4562 - Line 26

Statement #3

Description	Date	Bus	Cost	Dep. Basis	Rp	Method	Deduction	179 Ded
Chevy Impala	01-01-2004	100	22,005	22,005	5	200DBY		
2 Vans	01-01-2001	100	55,152	55,152	5	200DBY		
2014 Toyota Sienna	05-15-2014	100	43,761	43,761	5	200DBY	5,041	
2015 Chevy Van	04-01-2015	100	39,387	39,387	5	200DBY	7,562	
Total							<u>12,603</u>	

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Overflow Statement

2017
Page 1

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Fanara

Schedule A, Line 1 - Medical and Dental Expenses

Description	Amount
Pharmacy	\$ 355
Doctor	50
Lab Fees	262
Supplemental	299
Medicare Premiums	1,344
Total:	<u>\$ 2,310</u>

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Overflow Statement

2017
Page 1

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Fanara

Schedule C, Line 9 - Car and Truck Expenses

Description	Amount
Auto	\$ 7,933
Transportation	4,032
Total:	\$ 11,965

Schedule C, Line 14 - Employee Benefits

Description	Amount
Health Insurance	\$ 132,075
Total:	\$ 132,075

Schedule C, Line 15 - Insurance

Description	Amount
Worker's comp	\$ 21,086
General	90,254
Total:	\$ 111,340

Schedule C, Line 17 - Legal and Professional Services

Description	Amount
Accounting	\$ 8,950
Payroll Service Fee	2,157
Total:	\$ 11,107

Schedule C, Line 23 - Taxes and Licenses

Description	Amount
Payroll Taxes	\$ 56,803
Property Taxes	12,172
City Licenses	3,560
Licenses & Permits	2,241
Total:	\$ 74,776

Schedule C, Line 26 - Wages

Description	Amount
Wages	\$ 453,715
Tips included in gross receipts	180,895
Total:	\$ 634,610

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Fanara

Schedule C - Business Income

Description	Amount
Other Direct Restaurant Costs	\$ 81,950
Total:	\$ 81,950

Schedule C - Business Income

Description	Amount
Sales Taxes included in revenue	\$ 154,892
Total:	\$ 154,892

Schedule A, Line 16 - Cash Contributions

Description	Amount
Paid Personally (under \$250)	\$ 370
Paid through business	1,800
St Peters Church	980
Total:	\$ 3,150

TAX RETURN COMPARISON
2015 / 2016 / 2017

2017

Name(s) as shown on return
Anthony & Marianna Fanara

Identifying number
[REDACTED]

	2015	2016	2017	Difference 2016-2017
Filing Status	2	2	2	
Number of Exemptions	2	2	2	
Income				
Wages, salaries, tips, etc.				
Taxable interest and dividends	15,147	10,920	12,129	1,209
Taxable state and local refunds	287			
Alimony				
Business income (loss)	3,236	(30,028)	(13,690)	16,338
Gains (losses)				
Pensions and IRA distributions				
Rent and royalty income (loss)	131,901	174,247	155,550	(18,697)
Part, S-corps, trusts income (loss) . . .				
Farm income (loss)				
Unemployment compensation				
Total SS benefits received	28,427	28,163	28,248	85
Taxable SS benefits	24,163	23,939	24,011	72
Other income (loss)	(35,297)			
Total Income	139,437	179,078	178,000	(1,078)
Adjusted Gross Income				
Half of self-employment tax	229			
IRA deduction				
Other adjustments				
Total Adjusted Gross Income	139,208	179,078	178,000	(1,078)
Deductions				
Medical deductions				
State and local taxes	12,771	18,116	5,010	(13,106)
Interest	48,277	39,744	43,555	3,811
Contributions	4,151	1,640	3,150	1,510
Employee business expenses				
Standard or other deductions				
Total Itemized or Standard Ded . . .	65,199	59,500	51,715	(7,785)
Exemption Amount	8,000	8,100	8,100	
Tax and Credits				
Taxable Income	66,009	111,478	118,185	6,707
Tax	7,039	18,426	19,849	1,423
Credits	7,039	18,426	18,687	261
Self-employment tax	457			
Other taxes				
Total Tax	457		1,162	1,162
Payments				
Withholdings				
Estimated tax payments		1,957	1,957	
Earned income credit				
Other payments and credits				
Overpayment		1,957	795	(1,162)
Overpayment Applied		1,957	795	(1,162)
Refund				
Balance Due	457			
Resident State	CA	CA	CA	
Taxable income	86,237	102,431	107,284	4,853
Tax	2,753	3,965	4,243	278
Refund				
Balance Due	2,753	1,310		(1,310)
Marginal tax rate	15.00	25.00	25.00	
Effective tax rate	11.00	17.00	16.79	(0.21)